

# House Bill 3630

Sponsored by Representative CANNON

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits provisions of employment agreement that require employee to assign or offer to assign rights in invention to employer. Makes certain provisions of employment agreement related to assignment of employee's rights in invention void and unenforceable.

Requires written notification of applicability to employee.

## A BILL FOR AN ACT

1  
2 Relating to employment agreement provisions pertaining to assignment of rights in invention.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) A provision in an employment agreement that provides that an employee**  
5 **shall assign or offer to assign any of the rights of the employee in an invention to the em-**  
6 **ployer does not apply to an invention for which no equipment, supplies, facilities or trade**  
7 **secret information of the employer was used and that was developed entirely on the**  
8 **employee's own time, unless the invention:**

9 (a) **Relates directly to the business of the employer;**

10 (b) **Relates to the actual or demonstrably anticipated research or development of the**  
11 **employer; or**

12 (c) **Results from any work performed by the employee for the employer.**

13 (2) **To the extent that a provision in an employment agreement purports to require an**  
14 **employee to assign or offer to assign rights of the employee in an invention, the rights in**  
15 **which are otherwise excluded from being required to be assigned or offered for assignment**  
16 **under subsection (1) of this section, the provision is against the public policy of this state**  
17 **and is void and unenforceable.**

18 (3) **An employer may not require a provision that is void and unenforceable under sub-**  
19 **section (2) of this section as a condition of employment or continuing employment.**

20 (4) **If an employment agreement contains a provision requiring an employee to assign or**  
21 **offer to assign any of the rights of the employee in any invention to the employer, the em-**  
22 **ployer must, at the time the agreement is made, provide written notification to the employee**  
23 **that the agreement does not apply to an invention described in subsection (1) of this section.**

24 **SECTION 2. Section 1 of this 2011 Act applies to employment agreements entered into**  
25 **on or after the effective date of this 2011 Act.**

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**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.